

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575

VIA FEDERAL EXPRESS

**FIRST
UNION®**

April 2, 1999

Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

RECORDATION NO.

22099
FILED

APR 5 '99

11-30AM

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated March 15, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Columbia & Cowlitz Railway Company
P.O. Box 209
Longview, WA 98632

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,



Tiffany Chase
Manager of Documentation

Enclosure

(CLC010)

ASSIGN: CLC0010

RECORDATION NO. 22099

FILED

Memorandum of Lease

APR 5 '99

11-30AM

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 15th of March, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Columbia & Cowlitz Railway Company ("Lessee").

W I T N E S S E T H:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of May 1, 1997, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]

Name: JACK THOMAS
President

Title: _____

By: [Signature]

Name: Michelle Berg

Title: Office Manager

[CORPORATE SEAL]

Executed on this 15 day of March, 1998.4

STATE OF Illinois

COUNTY OF Cook

I, Michelle Berg, a Notary Public in and for said state and county, certify that John J. Thomas personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 15 day of March, 1998.

Michelle Berg
Notary Public

My Commission Expires:



LESSEE:

COLUMBIA & COWLITZ RAILWAY COMPANY

ATTEST:

By: Paulette Timm

Name: Paulette Timm
VICE PRESIDENT

Title: _____

By: Margorie McKinney

Name: MARGORIE MCKINNEY

Title: Rail Fleet Manager

Executed on this 25th day of Feb., 1999.

[CORPORATE SEAL]

STATE OF WASHINGTON

COUNTY OF KLING

I, KRISTIN BRENNER, a Notary Public in and for said state and county, certify that PAULETTE TIMM & MARGORIE MCKINNEY personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease Agreement.

WITNESS my hand and official stamp or seal, this 25th day of FEBRUARY, 1999

Kristin Brenner
Notary Public

My Commission Expires:

1 NOVEMBER 2001
(Notary Public)

EXHIBIT A
to
Memorandum of Lease

NUMBER OF CARS: Ninety-seven (97)

DESCRIPTION OF CARS: 61'1" 100-ton Bulkhead Flat Cars

CAR NUMBERS: MDW 1000-1116, 1118-1157, 1159-1167, 1169-1199